

WORLD NEWS ROUNDUP

SOMALIS ISOLATED IN EXPANSIONIST TRY FOR OGADEN REGION

Sept. 9 (NSIPS) — The Ethiopian government broke off relations with Somalia last week, pressuring Somalia's increasingly isolated expansionist adventure in the Ogaden region of Ethiopia. The break follows Somali President Barre's trip to the Soviet Union where a peaceful resolution of the conflict was flatly demanded by the Soviets who gave no support to the Somalis.

Soviet military support to Ethiopia stalled the expansionist drive, leaving Somalia out on a limb. The original scenario called for Somalia to cut ties with the Soviet Union, and turn to the West for arms once the Ogaden landgrab was a fait accompli.

Since the Somalis were unsuccessful in conclusively grabbing the Ogaden, their appeals to the West for arms were appeals for support for their expansionist venture. With the Europeans refusing to aid the Somalis in this operation, the Carter Administration would have been isolated in supporting Somali expansionism. The Carter Administration thus formally reversed its position and announced it would not supply arms to Somalia as long as there was fighting in the Ogaden.

* * *

TITO, CHINESE DISAGREE

Sept. 9 (NSIPS) — Winding up his 10-day trip to China, Yugoslav President Josip Bros Tito has extracted from the Chinese a public defense of "Yugoslavia's stance of nonalignment and of the Nonaligned movement. Despite the ostentatious public display of warmth between Tito and the Chinese leaders, and an increase in bilateral trade between the two countries, it appears to be all that the two parties did agree on, and China's praise for nonalignment is of dubious significance in light of China's known strong "tilt" toward the U.S. and against the Soviet Union.

The failure to issue a joint communiqué was revealing. It was due to disagreement on almost all other major questions, including détente, disarmament, "the international situation," and the question of the inevitability of war, according to the Chinese news service AFP. Tanjug, the Yugoslav press agency, reported that "after exhaustive talks, the basic positions and directions of operations (of the two sides) are clearer" — about as close to publicly admitting a total divergence of views as the agency could have come without announcing the fact outright.

Concerning the U.S., China's deputy premier Teng Hsiao-ping took the occasion of a visit to China of Associated Press executives to publicly reveal some of the contents of the Vance talks in Peking last month. Teng said that U.S. Secretary of State Vance proposed a step backward in the normalization process by insisting that China make some compromises. Some U.S. analysts interpreted Teng's remarks as "a step forward," because Teng noted that in taking over Taiwan, China

would take cognizance of the "special conditions" prevailing there. But in remarks curiously omitted in the *New York Times'* account (although covered elsewhere), Teng also laced into the U.S. — and Western Europe — for not taking advantage of the alleged economic weakness of the Soviet Union, and instead capitulating to the Soviets by strengthening East-West economic ties.

The import of Teng's remarks is that China will oppose every attempt by Europe to break with the sinking dollar through trade deals with the Soviets. Chinese protestations to Tito notwithstanding, Teng thereby placed China squarely in the profascist Anglo-American camp of monetarist banking interests who seek to save the dollar by draconian austerity here, in Europe, and in the Third World.

* * *

USLP PRESSES FOR FULL DISCOVERY ON FEDERAL ELECTIONS COMMISSION

Sept. 8 (NSIPS) — U.S. Labor Party attorneys have filed a motion with the U.S. District Court in Washington, D.C., urging Judge Aubrey Robinson to permit full discovery and a trial in a lawsuit filed against the Federal Elections Commission (FEC) by U.S. Labor Party supporters. The suit, *Jones v. FEC*, charges that the FEC harassed and intimidated contributors to the Committee to Elect LaRouche, the Labor Party presidential candidate's political campaign committee.

The Labor Party's brief points out that Congress never intended the FEC to assume Gestapo-like police powers such as making early morning visits to campaign contributors and threatening them with jail sentences if they failed to produce records, as stated in the complaint in the *Jones* case. In fact, the motion states, Senator Montoya, during Senate Appropriations hearings in 1976, asked then-FEC Chairman Thomas Curtis: "You go into a small community about some matter and your person flashes a badge that he represents the FEC, and is collecting information relative to certain matters, and the whole community is going to know that that candidate is being investigated for something. That is unfair." Chairman Curtis responded: "That is what I am saying we don't do."

At a hearing today in U.S. District Court before Judge Oliver Gasch, FEC attorney Barbara Van Gelder reaffirmed the FEC's position that it has total authority to "investigate" by whatever means it determines appropriate. In the hearing before Judge Gasch, the FEC demanded that the court enforce subpoenas issued by the Commission which demand full disclosure of every financial record of the Committee To Elect LaRouche, the National Caucus of Labor Committees, the U.S. Labor Party, and two corporations who are vendors to those groups.

Labor Party attorneys reiterated that the FEC is now operating totally outside the powers legislated to it by Congress, and even farther outside the powers intended by Congress to be assumed by the Commission.

Decisions on the motion for discovery and trial and the motion to quash the subpoenas should be made available within the next 10 days.

* * *

COLLISION COURSE WITH LABOR THREATENS CIVIL WAR IN COLOMBIA

Sept. 8 (NSIPS) — Faced with a well-organized, Communist-led general strike in defense of living standards, Colombian President Alfonso Lopez Michelsen has issued unprecedented repressive decrees which could push the country into civil war.

The decrees prohibit all street rallies and demonstrations, ban all radio and television reporting of the organizing for the general strike, and order censorship of printed material advocating solidarity with the strike. The government even declared that parents or students signing strike-support statements for a teachers' strike now in effect are subject to arrest and jail terms of 30 to 180 days.

Lopez's confrontation policy is backed by two Wall Street-linked dailies, *El Tempo* and *El Espectador*, which are linking the strike movement to the wave of terror now sweeping the country.

The strike movement, the result of a six-month organizing project by the Communist-led CSTC labor federation, has been joined by four major union federations in Colombia and is gaining the support of independent unions; on Sept. 3, the organizations of doctors and of journalists added their names to the strike call. The first international support arrived Sept. 5 in the form of a telegram of solidarity from the Communist-led labor federation of Venezuela, the CUTV.

* * *

MANPOWER PLANNER TO BUST WAGE RATES

Sept. 9 (NSIPS) — Sar Levitan, a manpower planner and recent Carter appointee to a commission charged with drafting a proposal to revise the Department of Labor's unemployment statistics, told an interviewer today that the major problem with the proposed Humphrey-Hawkins bill, is its stimulation for union scale wages. Council of Economic Advisors head Charles Schultz "thinks the same way I do,... prevailing wages make any jobs program inflationary."

Levitan would like to see prevailing wages reduced "to around \$2,100 per year so that we can get more for our money." The manpower planner characterized Carter's welfare program, which funds jobs at the minimum wage level, "a step in the right direction" that "shows how people are thinking."

The Humphrey-Hawkins legislation is scheduled for a rewrite that would drop the prevailing wage provisions from the bill at a meeting between the bill's backers and the Administration next week, Levitan claimed. He added that if the prevailing wage provisions were kept in the legislation, or other employment programs, they would affect the ability of the U.S. Army to recruit. The Army, he stated, should become more involved in

manpower programs, deploying its domestic troops to build dams and dig irrigation ditches.

* * *

GOVERNORS BLAST HUMPHREY-HAWKINS; SUPPORT DEMOS FLOP

Sept. 9 (NSIPS) — The Humphrey-Hawkins "public works" bill came under attack by both Democrats and Republicans at this week's conference of state governors. The state executives' comments were printed in the conservative-linked daily *Detroit News* Sept. 9. Governor Richard Schelling of Vermont (D) said: "Someone has to educate the public in terms of savings and capital formation. People need jobs that mean something." His comments were echoed by the Democratic Governor of North Dakota, Arthur A. Link, who said, "I agree with putting unemployed and welfare recipients back to work but they need jobs with skills."

Labor Day demonstrations to rally support for the Humphrey-Hawkins bill fell flat earlier in the week. In Chicago, only 75 demonstrators, most of whom were members of "environmentalist" terrorist groups, showed up. In Buffalo, the planned demonstrations and rock concert lured 120 people... briefly. In Springfield, Mass., press accounts of the demonstration highlighted U.S. Labor Party spokesmen calling the demonstrations "a promotion for pick-and-shovel jobs."

In Gary, In., Mayor Hatcher, who was supposed to organize the event there, left town as support for the demo among AFL-CIO trade-union backers evaporated.

The absence of even a trace of hoped for mass (particularly black and Hispanic) support for "public works" slave labor was nowhere more obvious than in San Francisco. There, the well-publicized presence of Governor Jerry Brown and Congressman Augustus Hawkins, co-sponsor of the Humphrey-Hawkins bill, drew a "crowd" of 50 people. And of that pitiful 50, the bulk had been recruited to the event by "gay rights" group.

* * *

FRANCE WILL HONOR PAKISTAN REPROCESSING CONTRACT

Sept. 9 (NSIPS) — French Foreign Minister Louis de Guiringaud told his Pakistani counterpart, Agha Shahi, that France will honor the terms of its contract with the new Pakistani government for providing plans, materials and personnel to complete a Pakistani nuclear fuels reprocessing plant.

Both the French-Pakistan and the West German-Brazil agreement for transfer of advanced nuclear technologies which includes the full fuel-cycle capability and fuel reprocessing centers, have been the target of a sustained political attack by the policy circles in and around the Carter Administration. With the recent seizure of government in Pakistan by the military, there was widespread speculation that France might be forced to cancel the controversial aspects of the internationally significant deal. The statement by Guiringaud puts that speculation to rest.

In making his statement, Guringaud emphasized that all safe-guards to prevent reprocessed fuel from being used for making nuclear weapons have been worked out in cooperation with the international Atomic Energy Agency. Pakistan has plans to construct 25 commercial nuclear reactors over the next 23 years. Adherence to the original terms of the agreement with Pakistan is widely regarded as essential if France and other industrial countries are to maintain credibility in growing major negotiations for nuclear technology transfers to the developing sector.

* * *

FRIDERICHS TO REPLACE PONTO

Sept. 9 (NSIPS) — Hans Friderichs, West German Economics Minister and an important shaper of his country's industrial growth policies, announced early

this morning his intention to resign from his post, in order to assume the chairmanship of one of the largest West German banks, the Dresdner Bank.

The former head of this bank was Jürgen Ponto, who was murdered five weeks ago by the Baader-Meinhof terrorist gang. Given that Ponto was one of the most powerful forces in West German banking, Friderichs' new job by no means signifies a demotion for him, but rather can provide the government with still more international contacts and influence.

No successor to Friderichs has been named yet, but it is rumored that this may open the door to a reshuffling of the entire cabinet, possibly even bringing in a leading figure from the opposition Christian Democratic parties — a "grand coalition" option. For the moment, though, most speculation centers around Otto Count Lambsdorff, economic policy spokesman for Friderichs' small Free Democratic Party, who has close ties with British financial circles. Lambsdorff's relations with Chancellor Schmidt are not good.

EIR Daily Energy Intelligence Bulletin

The Executive Intelligence Review is pleased to introduce its new Daily Energy Intelligence Bulletin. Produced by the same EIR staff that puts together the news and analysis which has made the EIR Weekly unique in its field, the bulletin will provide the subscriber with all the news in the energy field. The bulletin includes the latest news, world press briefs, short features, rumors, reports on the ecologist's latest moves, and the energy lineup on Capitol Hill — all provided to you in short form, five days a week. With this service you will have all the world's energy news at your fingertips on a daily basis.

\$2000 per year*

Special arrangements have been made with the publisher of the International Journal of Fusion Energy and Fusion magazine, and all charter subscribers to the EIR Daily Energy Intelligence Bulletin will also receive a one year subscription to these periodicals as a bonus. This offer is limited to subscriptions received by EIR before October 15, 1977.

*The price includes airmail or first class postage. Telex or express mail can be arranged at additional cost.

Executive Intelligence Review
Daily Energy Intelligence Bulletin
G.P.O. Box 1922
New York, N.Y. 10001

EXECUTIVE INTELLIGENCE REVIEW SPECIAL REPORT
DAILY ENERGY INTELLIGENCE BULLETIN AUGUST 10, 1977
'EX' WATERGATE PROSECUTOR CHARGES 1.5 BILLION DOLLAR COST
OVERRUN IN ALASKA PIPELINE

AUG 18 - IN A HIGHLY UNUSUAL PROCEDURE, THE STATE-RUN ALASKA PIPELINE COMMISSION, ITSELF SPENDING MORE THAN 1 MILLION DOLLARS IN ITS INVESTIGATION, HAS CHARGED THAT THE ALYESKA PIPELINE SERVICE CORPORATION 'WASTED' SOME 1.5 BILLION DOLLARS IN CONSTRUCTION OF THE MUCH PLAGUED ALASKA OIL PIPELINE. THE ALYESKA CORP. HAS CHARGED THAT THE STATE REPORT IS BIASED AND THAT THE INVESTIGATORS 'NEVER INTENDED OBJECTIVITY.' THE 670-PAGE REPORT WAS PREPARED UNDER THE DIRECTION OF TERRY LENZNER WHO WAS PREVIOUSLY INVOLVED IN THE POLITICAL FAC-TIONAL WAR AGAINST NIXON WHEN LENZNER WAS DEPUTY COUNSEL TO THE SENATE WATERGATE COMMITTEE. INFORMED SOURCES IN THE PETROLEUM INDUSTRY CONFIRM THAT THERE HAS BEEN AN INTENSE BEHIND THE SCENES EFFORT BY THE ROCKEFELLER FAMILY INTERESTS TO SABOTAGE THE DEVELOPMENT OF THE LARGELY BRITISH PETROLEUM BACKED EFFORT BY AN EXPLOSION AND FIRE EARLIER THIS SUMMER HAS ALREADY CAUSED SUBSTANTIAL DELAY IN EP ALASKA OIL REVENUES, WHICH WAS FURTHER AGGRAVATED BY A US INTERSTATE COMMERCE COMMISSION DECISION FORCING DOWNWARD REDUCTIONS IN RATES CHARGEABLE BY THE PIPELINE CONSORTIUM TO ITS CUSTOMERS.

BRITISH NUCLEAR REPROCESSING INQUIRY GETS BOOST

AUG 18 - THE ONGOING BRITISH GOVERNMENT-ORDERED PUBLIC INQUIRY INTO THE QUESTION OF WHETHER THE EXISTING NUCLEAR FUEL RE-PROCESSING CENTER OF WESTWATER IN THE NORTH YORKSHIRE AREA HAS SCALE GOT A MAJOR BOOST WITH THE TESTING THIS WEEK FROM THE NUCLEAR INSTALLATIONS INSPECTION. THERE AP-PEARS TO BE NO SIGNIFICANT SAFETY PROBLEMS THAT CANNOT BE OVER-COME. IN OTHER TESTIMONY, DR. STANLEY BOWIE OF VARIOUS ENVIRONMENTALIST GROUPS, THAT THE PLUTONIUM BYPRODUCT SUCH REPROCESSING WAS ONE OF THE MOST DEADLY SUBSTANCES BOWIE POINTED OUT THAT ALMOST EQUALLY DEADLY FALLEN THE CAFFEINE PEOPLE DRINK EVERY DAY IN THEIR COFFE. THE BRITISH AFFILIATE OF THE SO-CALLED FRIENDS OF THE BRITISH NUCLEAR REPROCESSING INQUIRY IS BELIEVED BADLY FALTERING HEADED BY AMORY LEVINS IS BELIEVED TO BE PART OF ONC-ATTEMPTS TO JOE FAR WHIP UP PUBLIC HYSTERIA AGAINST THE EXPANSION OF THE JAPANESE ELECTRIC UTILITIES FOR A W-ING CONTRACT.

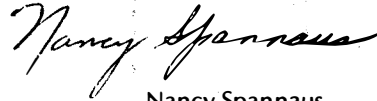
NUCLEAR REPROCESSING GOV'T
GOVERNMENT WILL
PROCESSING OF I
ACCOOFG TO
THE OF
554F

EXECUTIVE INTELLIGENCE REVIEW

G.P.O. Box 1922,
New York, N.Y. 10001
Telephone: (212) 563-8600

Dear Subscriber,

You are subscribing to the Executive Intelligence Review published by the New Solidarity International Press Service. The Executive Intelligence Review is designed to give you a synthesized and complete world picture of the week's most important economic, political and scientific news. It is our expectation that you will find this service not only valuable but indispensable.



Nancy Spannaus
Editor-in Chief

EXECUTIVE INTELLIGENCE REVIEW

I am subscribing to the Executive Intelligence Review for the following:

3 months

6 months

1 year

Rate chart

Areas	3 months	6 months	1 year
U.S. and Canada	\$60.00	\$115.00	\$225.00
Central America, Panama, etc.	\$75.00	\$140.00	\$280.00
Europe	\$80.00	\$155.00	\$310.00
All Other Countries Africa, Asia, etc.	\$85.00	\$170.00	\$335.00

Name

Address

City State Zip

Signature

amount enclosed

Make checks payable to: New Solidarity International Press Service, G.P.O. Box 1922, New York, N.Y. 10001